



The State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

Representatives Present During the Inspection:

OGM	Pete Hess	Environmental Scientist III
Company	Mike Davis	

Inspection Report

Permit Number:	C0410002
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, March 09, 2005
Start Date/Time:	3/9/2005 9:15:00 AM
End Date/Time:	3/9/2005 2:45:00 PM
Last Inspection:	Tuesday, February 01, 2005

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, clear, 40's F.

InspectionID Report Number: 554

Accepted by: whedberg
3/29/2005

Permittee: **CANYON FUEL COMPANY LLC**

Operator: **CANYON FUEL COMPANY LLC**

Site: **SUFCO MINE**

Address: **397 S 800 W, SALINA UT 84654**

County: **SEVIER**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

24,632.95	Total Permitted
27.36	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☒ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The permittee continues to meet the Special Permit Condition included as Attachment "A" of the current State permit by submitting quarterly water monitoring information in an electronic form to the Division EDI.

There are no compliance actions currently pending for the SUFCO Mine permit area.

Mr. John Byers, Utah registered professional engineer, is the new Manager of Technical Services for the permittee. Mr. Craig Hilton is now the Director of Process Improvement for the SUFCO Mine.

Inspector's Signature

Date

Friday, March 11, 2005

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Inspection Continuation Sheet

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The permittee has two "Special Use Permits" which are issued by the USFS which will terminate at the end of 2005. One of these is relative to flow measurement weirs located in the north and south forks of the Quitcupah drainage; the permittee will more than likely let this permit lapse. The second "Special Use Permit" is for the Mine site sediment pond; the permittee intends to apply for a new permit for this, such that continued use for the treatment of the Mine site runoff can be allowed. The State permit issued by the DOGM is currently undergoing a midterm permit review. Issues which have been identified and which are being worked on include a revision to the reclamation bond amount, a revision(s) to the East Spring Canyon surface facilities map, updating of verbiage relative to the maintenance of riparian vegetation within the Link Canyon disturbed area, and a Phase III bond release application for the reclaimed substation location in Link Canyon.

4.a Hydrologic Balance: Diversions

The diversion ditch which parallels the access road to the upper substation at the East Spring Canyon facilities needs to have the rock debris removed from it in several locations. This debris is from freeze / thaw, and is a general spring maintenance item. The water bars on the road providing machinery access to the Mine site sediment pond are in need of redefiniment. Their effective free-board has been reduced by tramming equipment. Mr. Davis agreed to have the diversions redefined.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The permittee conducted the fourth quarter sediment pond inspections for the Mine site and waste rock ponds on December 23, and December 28, 2004 respectively. There were no signs of instability or other hazardous conditions reported for either pond. The Mine site pond report noted that the access road diversion ditch with water bars had recently been redefined. The permittee performed the annual impoundment inspections for the Mine site and waste rock ponds on July 30, 2004. As of the certification date, both ponds had approximately one foot of elevation remaining prior to reaching the 60% sediment cleanout elevation. Both pond reports received a P.E. certification from Mr. Wes Sorensen, Utah registered professional engineer. This information was forwarded to the Division Salt Lake office on July 30, 2004, and will be reviewed once again during the review of the SUFCO Mine 2004 annual report.

4.c Hydrologic Balance: Other Sediment Control Measures

There is one length of silt fence in the Link Canyon portal disturbed area which has several large holes in it. The holes are above the ground level / runoff treatment elevation. Mr. Davis agreed to have the treatment fabric replaced.

4.d Hydrologic Balance: Water Monitoring

Water sample analyses for February for the sites UPDES outfalls were reviewed. Samples for both UPDES 002A (Mine site sediment pond) and 003A (Quitichupah portals 24" mine water discharge) were taken at a frequency of two per month. There were no parameter exceedances noted for any of the four sample analyses reviewed. The permittee conducted the fourth quarter acute toxicity testing using 003A Quitichupah portals mine water discharge effluent with ceriodaphnia dubia being the test animal. WET, Inc., of American Fork, Utah performed the required testing using various dilutions of the test effluent. Final results reported "no significant effect" on the survival rate of the test animals.

4.e Hydrologic Balance: Effluent Limitations

The permittee reported an exceedance of 3 mg/l for total suspended solids for the December 27, 2004 sample for UPDES outfall 002A, (Mine site sediment pond). The 3 mg/l exceeded the seven day average limit, which is normally 35 mg/l. This TSS value also caused the 30 day average limit of 25 mg/l to be exceeded as well.

7. Coal Mine Waste, Refuse Piles, Impoundments

The west slopes of the refuse lifts and the north facing slopes of the topsoil / subsoil piles remain snow covered. The bottom and inslopes of the waste rock pond also remain snow covered. The permittee has yet to address the leveling and compaction requirement of the end dumped piles on the active lift due to soft ground conditions. There were no compliance issues noted at the waste rock disposal facility.

9. Protection of Fish, Wildlife and Related Environmental Issues

The permittee made a trip into the East Fork of Box Canyon on March 3, 2005. Snow was approximately thirty inches deep on the plateau above the Canyon. Most of the East Fork channel remains snow covered with several feet of accumulation. Good flow was evident in several areas.

10. Slides and Other Damage

There is a very minor slide on the west side of the Mine site sediment pond access road; only a small amount of material made it into the diversion ditch.

16.b Roads: Drainage Controls

Access to the lower Canyon was not possible this day due to the snow / ice cover on that road surface.

18. Support Facilities, Utility Installations

The Link Canyon facilities were inspected this day. The undisturbed channel running through the portal facility was flowing. There was no water observed in the intake portal. The riparian vegetation did not appear to be blooming.